USDA Rural Development

United States Department of Agriculture
Rural Development
Montana State Office

October 1, 2005   MT AN #247 (3550)

Revised January 30, 2006   With Attachment A

TO: All Montana Rural Development Offices

SUBJECT: 2006 Area Loan Limits for Single Family Housing Programs
               USDA Rural Development, Montana

PURPOSE/INTENDED OUTCOME:

This Administrative Notice provides guidance on implementation of the area loan limits as
allowed by 7 CFR Part 3550, section 3550.63.

COMPARISON WITH PREVIOUS AN:

This Administrative Notice replaces MT AN 220, dated October 1, 2004 and revises MT AN
247, dated October 1, 2005. The new area loan limits have changed from the limits
established in MT AN 220 and MT AN 247. Attachment A has been updated to incorporate
the changes.

IMPLEMENTATION RESPONSIBILITIES:

It is necessary to periodically adjust the Agency's area loans limits to accommodate the
continuous changes in the cost of housing.   The area loan limits were calculated by
information provided from the National Office for residential cost data for new construction
of a modest home plus state determined market value of improved sites in the respective
counties. Attachment A lists the new area loan limits for each county in Montana. These
limits were effective on October 1, 2005.

EXPIRATION DATE: FILING INSTRUCTIONS:

September 30, 2006   Handbook 3550, Appendix 10

The following revisions are effective February 9, 2006:

County	FY 06 Cost + Site Value	Current Area Loan Limit	HUD Limit as of 09/05	HUD Limit as of 01/06	New Area Loan Limit
Flathead	$190,128	$172,632	$172,632	$200,160	$190,100
Gallatin	$203,075	$172,632	$172,632	$200,160	$200,100
Missoula	$190,528	$172,632	$172,632	$220,875	$190,500
Ravalli	$182,028	$172,632	$172,632	$200,160	$182,000

Questions can be directed to Deborah Chorlton, Housing Program Director at 406-585-2551.

W.T. (Tim) RYAN
State Director